

**POLICY ON DETERMINATION OF
MATERIALITY OF EVENTS**

OF

GUJARAT AMBUJA EXPORTS LIMITED

1. INTRODUCTION:

The Securities and Exchange Board of India (“SEBI”) on 2nd September, 2015 issued the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”) with the aim to consolidate and streamline the provisions of existing listing agreements thereby ensuring better enforceability and bringing the basic framework governing the regime of Listed Entities in line with the Companies Act, 2013 (“the Act”) and at the same time compiling all the mandates of varied SEBI Regulations / Circulars governing Equity as well as Debt segments of capital market.

Regulation 30 & 30A of the Listing Regulations deals with disclosure of material events / information by the Company whose equity and convertible securities are listed and are required to make disclosure of events / information specified under the relevant Schedule of Regulation 30 and 30A. The Regulations requires Company to frame a policy for determination of materiality, based on criteria specified in the Regulations, to be approved by Board of Directors of the Company and further to be disclosed on the website of the Company.

Accordingly the Policy on Determination of Materiality of Events was approved and adopted by the Board of Directors of the Company at their meeting held on 31st October, 2015.

Further based on the recommendation of the SEBI Committee on Corporate Governance which was formed on 2nd June, 2017 under the Chairmanship of Mr. Uday Kotak, with the aim of improving standards of corporate governance of listed companies in India, SEBI brought in the amendment and modified the existing Regulations based on the recommendations of SEBI Committee through SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9th May, 2018 read with SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018 dated 31st May, 2018, SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated 14th July, 2023 (“Amended Regulations”).

Further in order to effect the amendments as notified in the above Amended Regulations to this Policy, the Board of Directors of the Company approved and adopted the revised ‘Policy on Determination of Materiality of Events’ on 30th March, 2019 which is further amended,

approved and adopted by the Board of Directors of the Company at their meeting held on 05th August, 2023.

2. **APPLICABILITY:**

This Policy shall be applicable to all the events relating to the Company as and when they fall under the criteria as mentioned in clause 4 of this Policy.

This Policy shall be read together with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information formulated and adopted by the Company to lay down the procedures and practical guidelines that would be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive information.

The purpose of this Policy is to determine materiality of events and information based on criteria specified under Regulation 30 & 30A of the Listing Regulations and to ensure that the Company shall make timely disclosures of events / information specified under the Regulations to the Stock Exchanges.

3. **DEFINITIONS:**

“Board of Directors” means the Board of Directors of the Company.

“Board” means “Securities and Exchange Board of India”

“Company” means Gujarat Ambuja Exports Limited.

“Compliance Officer” means the Company Secretary of the Company.

“Key Managerial Personnel” means key managerial personnel as defined in sub-section (51) of section 2 of the Act read with Regulation 2(1)(o) of the Listing Regulations, including any statutory modification(s) or re-enactment(s) thereof.

“Listed Entity” means Gujarat Ambuja Exports Limited

“Mainstream media” shall include print or electronic mode of the following:

- i. Newspapers registered with the Registrar of Newspapers for India;

- ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;
- iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
- iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;

“Policy” means this Policy on Determination of Materiality of Events.

“Promoter” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

“Senior Management” means and includes all business units heads and Departmental Heads in the Company one level below the Managing/ Executive Directors of the Company.

“Stock Exchange(s)” means BSE Limited and National Stock Exchanges of India Limited.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Agreement, Listing Regulations or any other applicable laws or regulations to the extent applicable to the Company.

4. **DISCLOSURE OF EVENTS:**

The events to be disclosed by the Company are broadly divided into four categories:

Category A:

Events which are considered to be deemed material events, and which need to be disclosed without application of the “materiality criteria”. These events as specified by Board are listed in **Annexure A** to this Policy.

Category B:

Events which need to be disclosed based on the application of the “materiality criteria”. These events as specified by Board are listed in **Annexure B** to this Policy.

Category C:

Other events as specified by SEBI and listed in **Annexure C** or where the criteria specified in Category A and B are not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the listed entity, the event or information is considered material.

Category D:

Without prejudice to the generality of Annexure A, Annexure B and Annexure C, Listed Entity may make disclosure of event or information to stock exchange(s) as specified by the Board from time to time.

5. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS:

The Listed Entity shall consider the following criteria for determination of materiality of events / information:

- (a) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (b) The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
- (c) The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i. Two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - ii. Two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - iii. Five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;

In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

6. GUIDANCE ON WHEN AN EVENT/INFORMATION IS DEEMED TO BE OCCURRED:

The Listed Entity shall apply below guidelines on when an event / information is deemed to be occurred:

- (a) The events / information shall be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. the Board and the Shareholders.
- (b) The events / information that may be of price sensitive nature for e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.
- (c) The events / information such as natural calamities, disruption, etc. can be said to have occurred when the Company becomes aware of such events / information.

7. AUTHORIZATION FOR MAKING DISCLOSURES:

The Chairman and Managing Director, Chief Financial Officer and Company Secretary ("Authorized Persons") of the Company are severally / jointly authorized for the purpose of determining materiality of an event / information and for the purpose of making disclosures to stock exchange(s) under this Policy, the contact details of whom are also available on the website of the Company.

The Senior Management of the Company and such other persons, as determined by the aforesaid authorized persons shall be relevant employees for the purpose of this policy, to identify potential event or information pertaining to their functional roles and report the same to the aforesaid Authorized Persons.

8. DISCLOSURES AND TIMELINE:

- (a) The Listed Entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of Listing regulation as soon as reasonably possible and in any case not later than the following:
- i. Thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
 - ii. Twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Listed Entity;
 - iii. Twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Listed Entity:

Disclosure with respect to events for which timelines have been specified in Part A of Schedule III of Listing Regulations which are mentioned in Annexure -A shall be made within such timelines.

- (b) In case where an event occurs or an information is available with the Listed Entity, which has not been mentioned in Annexure A or B of this policy, but which may have material effect on it, the Listed Entity shall make adequate disclosures to stock exchange(s).

9. DISCLOSURES ON WEBSITE

All events or information disclosed to the Stock Exchanges under Regulation 30 & 30A of the SEBI Regulations shall be hosted on the website of the Company for a minimum period of 5 years.

10. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.

11. LIMITATION AND AMENDMENT:

In case of any subsequent changes in the provisions of the Listing Regulations, Companies Act, 2013 or any other applicable rules and regulations which makes any of the provision(s) in the Policy

inconsistent with the Listing Regulations, Companies Act, 2013 or any other applicable rules and regulations then the provision(s) of the Listing Regulations, Companies Act, 2013 or any other applicable rules and regulations would prevail over the Policy.

The Board of Directors may, subject to Listing Regulations / Companies Act, 2013 and any other applicable laws, update/amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, as it may deem necessary.

However, any subsequent amendment / modification in the Listing Regulations, Companies Act, 2013 or any other applicable rules and regulations in this regard shall automatically apply to this Policy.

12. INTERPRETATION

Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Listing Regulations, Companies Act, 2013 or Rules made thereunder, or any other relevant legislation / law applicable to the Company.

Annexure-A**Category - A****Deemed Material events which shall be disclosed without application of the “Materiality Criteria”:**

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.
2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. New Rating(s) or Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b) any cancellation of dividend with reasons thereof;
 - c) the decision on buyback of securities;
 - d) the decision with respect to fund raising proposed to be undertaken
 - e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - g) short particulars of any other alterations of capital, including calls;
 - h) financial results;
 - i) decision on voluntary delisting by the listed entity from stock exchange(s):

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
6. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.

Agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of the Listing Regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

7. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

‘Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity.

8. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer of Listed Entity.
 - a) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
 - b) In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
 - (i) The letter of resignation along with] detailed reasons for the resignation as given by the said director.
 - (ii) Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - (iii) The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - (iv) The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clause (a) and (b) above.
 - c) In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel,

senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.

- d) In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).

- 9. Appointment or discontinuation of share transfer agent.
- 10. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
 - a) Decision to initiate resolution of loans/borrowings;
 - b) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - c) Finalization of Resolution Plan;
 - d) Implementation of Resolution Plan;
 - e) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
- 11. One time settlement with a bank.
- 12. Winding-up petition filed by any party / creditors.
- 13. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
- 14. Proceedings of Annual and extraordinary general meetings of the listed entity.
- 15. Amendments to memorandum and articles of association of listed entity, in brief.
- 16. (a) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the listed entity to analysts or institutional investors.

Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

(i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;

(ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:

17. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

(a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;

(b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;

(c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;

(d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

(e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

(f) Appointment/ Replacement of the Resolution Professional;

(g) Prior or post-facto intimation of the meetings of Committee of Creditors;

(h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

(i) Number of resolution plans received by Resolution Professional;

(j) Filing of resolution plan with the Tribunal;

(k) Approval of resolution plan by the Tribunal or rejection, if applicable;

- (l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - (i) Pre and Post net-worth of the company;
 - (ii) Details of assets of the company post CIRP;
 - (iii) Details of securities continuing to be imposed on the companies' assets;
 - (iv) Other material liabilities imposed on the company;
 - (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - (vi) Details of funds infused in the company, creditors paid-off;
 - (vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - (viii) Impact on the investor – revised P/E, RONW ratios etc.;
 - (ix) Names of the new promoters, 428[key managerial personnel], if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - (x) Brief description of business strategy.
- (m) Any other material information not involving commercial secrets.
- (n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
- (o) Quarterly disclosure of the status of achieving the MPS;
- (p) The details as to the delisting plans, if any approved in the resolution plan.

18. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:

- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
- b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

19. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or

information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.

“social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

20. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- (a) search or seizure; or
- (b) re-opening of accounts under section 130 of the Companies Act, 2013; or
- (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:
 - (i) name of the authority;
 - (ii) nature and details of the action(s) taken, initiated or order(s) passed;
 - (iii) date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
 - (iv) details of the violation(s)/contravention(s) committed or alleged to be committed;
 - (v) impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

21. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- (a) suspension;
- (b) imposition of fine or penalty;
- (c) settlement of proceedings;
- (d) debarment;
- (e) disqualification;

- (f) closure of operations;
- (g) sanctions imposed;
- (h) warning or caution; or
- (i) any other similar action(s) by whatever name called;

22. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Act.

Annexure-B**Category - B****Events which need to be disclosed based on the application of the “Materiality Criteria”**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the listed entity:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

Annexure-C

Category – C

Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

An event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.
